

740

42A740

Department of Revenue

1500010001

KENTUCKY  
INDIVIDUAL INCOME TAX RETURN  
Full-Year Residents OnlyKentucky  
UNBROKEN SPIRIT  
2015

For calendar year or other taxable year beginning \_\_\_\_\_, 2015, and ending \_\_\_\_\_, 20\_\_\_\_\_.

<b>A. Spouse's Social Security Number</b>  	<b>B. Your Social Security Number</b>  
Name—Last, First, Middle Initial (Joint or combined return, give both names and initials.)  	
Mailing Address (Number and Street including Apartment Number or P.O. Box)  	
City, Town or Post Office	State ZIP Code

DRAFT  
9/2/15

## FILING STATUS (see instructions)

- 1 ☐ Single
- 2 ☐ Married, filing separately on this combined return. (If both had income.)
- 3 ☐ Married, filing joint return.
- 4 ☐ Married, filing separate returns. Enter spouse's Social Security number above and full name here. \_\_\_\_\_

## POLITICAL PARTY FUND

Designating \$2 will not change your refund or tax due.

- |                | A. Spouse                    | B. Yourself                  |
|----------------|------------------------------|------------------------------|
| Democratic     | (1) <input type="checkbox"/> | (4) <input type="checkbox"/> |
| Republican     | (2) <input type="checkbox"/> | (5) <input type="checkbox"/> |
| No Designation | (3) <input type="checkbox"/> | (6) <input type="checkbox"/> |

## INCOME/TAX

- 5 Enter amount from federal Form 1040, line 37; 1040A, line 21 or 1040EZ, line 4. (If total of Columns A and B is \$32,253 or less, you may qualify for the Family Size Tax Credit. See instructions.)
- 6 Additions from Schedule M, line 8
- 7 Add lines 5 and 6
- 8 Subtractions from Schedule M, line 20
- 9 Subtract line 8 from line 7. This is your **Kentucky Adjusted Gross Income**
- 10 **Itemizers:** Enter itemized deductions from Kentucky Schedule A. **Nonitemizers:** Enter \$2,440 in Columns A and/or B
- 11 Subtract line 10 from line 9. This is your **Taxable Income**
- 12 Enter tax from Tax Table, Computation or Schedule J.  
Check if from Schedule J ☐
- 13 Enter tax from Form 4972-K ☐ ; Schedule RC-R ☐
- 14 Add lines 12 and 13 and enter total here
- 15 Enter amounts from page 3, Section A, lines 25A and 25B
- 16 Subtract line 15 from line 14. If line 15 is larger than line 14, enter zero
- 17 Enter personal tax credit amounts from page 3, Section B, lines 4A and 4B
- 18 Subtract line 17 from line 16. If line 17 is larger than line 16, enter zero
- 19 Add tax amount(s) in Columns A and B, line 18 and enter here
- 20 Check the box that represents your total family size (see instructions before completing lines 20 and 21)
- 21 Multiply line 19 by **Family Size Tax Credit** decimal amount \_\_\_\_ (\_\_\_\_%) and enter here
- 22 Subtract line 21 from line 19
- 23 Enter the **Education Tuition Tax Credit** from Form 8863-K
- 24 Subtract line 23 from line 22
- 25 Enter **Child and Dependent Care Credit** from federal Form 2441, line 9 x 20% (.20)
- 26 **Income Tax Liability.** Subtract line 25 from line 24. If line 25 is larger than line 24, enter zero
- 27 Enter **KENTUCKY USETAX due on Internet, mail order, or other out-of-state purchases (see instructions)**
- 28 Add lines 26 and 27. Enter here and on page 2, line 29

## A. Spouse (Use if Filing Status 2 is checked.)

5	00
6	00
7	00
8	00
9	00
10	00
11	00
12	00
13	00
14	00
15	00
16	00
17	00
18	00

## B. Yourself (or Joint)

5	00
6	00
7	00
8	00
9	00
10	00
11	00
12	00
13	00
14	00
15	00
16	00
17	00
18	00
19	00
20	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
21	00
22	00
23	00
24	00
25	00
26	00
27	00
28	00

Attach Form W-2(s) and Other Supporting Statement(s) here. Enclose payment with Form 740-V but Do Not Staple.

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8/12/15

## REFUND/TAX PAYMENT SUMMARY

29	Enter amount from page 1, line 28. This is your <b>Total Tax Liability</b> .....	29		00
30	(a) Enter <b>Kentucky income tax withheld</b> as shown on <b>attached</b> 2015 Form W-2(s) and other supporting statements .....	30(a)		00
	(b) Enter 2015 Kentucky estimated tax payments .....	30(b)		00
	(c) Enter 2015 refundable certified rehabilitation credit (KRS 141.382(1)(b)).....	30(c)		00
	(d) Enter 2015 film industry tax credit (KRS 141.383).....	30(d)		00
31	Add lines 30(a) through 30(d) .....	31		00
32	If line 31 is larger than line 29, enter <b>AMOUNT OVERPAID</b> (see instructions) .....	32		00
<i>Fund Contributions; See instructions.</i>				
➤ (Enter amount(s) checked)				
33	(a) <b>Nature and Wildlife Fund</b> ..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(a)		00
	(b) <b>Child Victims' Trust Fund</b> ..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(b)		00
	(c) <b>Veterans' Program Trust Fund</b> ..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(c)		00
	(d) <b>Breast Cancer Research/Education Trust Fund</b> . <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(d)		00
	(e) <b>Farms to Food Banks Trust Fund</b> ..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(e)		00
	(f) <b>Local History Trust Fund</b> ..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$25 <input type="checkbox"/> \$50 <input type="checkbox"/> Other .....	33(f)		00
34	Add lines 33(a) through 33(f) .....	34		00
35	Amount of line 32 to be <b>CREDITED TO YOUR 2016 ESTIMATED TAX</b> .....	35		00
36	Subtract lines 34 and 35 from line 32. Amount to be <b>REFUNDED TO YOU</b> ..... <b>REFUND</b>	36		00
<b>REFUND OPTIONS</b>				
Check here if you would like your refund issued on a Bank of America Prepaid Debit Card <input type="checkbox"/>				
Check here if you would like to receive your Debit Card material in Spanish <input type="checkbox"/>				
37	If line 29 is larger than line 31, enter <b>ADDITIONAL TAX DUE</b> .....	37		00
38	(a) Estimated tax penalty and/or interest. <input type="checkbox"/> <b>Check if Form 2210-K attached...</b> .....	38(a)		00
	(b) Interest .....	38(b)		00
	(c) Late payment penalty .....	38(c)		00
	(d) Late filing penalty.....	38(d)		00
39	Add lines 38(a) through 38(d). Enter here.....	39		00
40	Add lines 37 and 39 and enter here. This is the <b>AMOUNT YOU OWE</b> ..... <b>OWE</b>	40		00

- Visit [www.revenue.ky.gov](http://www.revenue.ky.gov) for electronic payment options; or
- Make check payable to **Kentucky State Treasurer**, include your Social Security number and "KY Income Tax—2015."

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PWR

## SECTION A—BUSINESS INCENTIVE AND OTHER TAX CREDITS

	A. Spouse	B. Yourself
1 Enter nonrefundable limited liability entity credit (KRS 141.0401(2)) .....	1 00	1 00
2 Enter Kentucky small business investment credit.....	2 00	2 00
3 Enter skills training investment credit (attach copy(ies) of certification).....	3 00	3 00
4 Enter nonrefundable certified rehabilitation credit (KRS 171.397(1)(a)) .....	4 00	4 00
5 Enter credit for tax paid to another state ( <b>attach copy of other state's return(s)</b> ) .....	5 00	5 00
6 Enter unemployment credit (attach Schedule UTC).....	6 00	6 00
7 Enter recycling and/or composting equipment credit (attach Schedule RC) .....	7 00	7 00
8 Enter Kentucky investment fund credit (attach copy(ies) of certification).....	8 00	8 00
9 Enter coal incentive credit.....	9 00	9 00
10 Enter qualified research facility credit (attach Schedule QR).....	10 00	10 00
11 Enter GED incentive credit (attach Form DAEL-31).....	11 00	11 00
12 Enter voluntary environmental remediation credit (attach Schedule VERB).....	12 00	12 00
13 Enter biodiesel and renewable diesel credit.....	13 00	13 00
14 Enter environmental stewardship credit.....	14 00	14 00
15 Enter clean coal incentive credit.....	15 00	15 00
16 Enter ethanol credit (attach Schedule ETH) .....	16 00	16 00
17 Enter cellulosic ethanol credit (attach Schedule CELL) .....	17 00	17 00
18 Enter energy efficiency products credit (attach Form 5695-K) .....	18 00	18 00

Continue to page 3 to complete Section A

**SECTION A—BUSINESS INCENTIVE AND OTHER TAX CREDITS (continued)**

		<b>A.</b> Spouse		<b>B.</b> Yourself	
19 Enter railroad maintenance and improvement credit (attach Schedule RR-I).....	19		00	19	00
20 Enter Endow Kentucky credit (attach Schedule ENDOW) .....	20		00	20	00
21 Enter New Markets Development Program credit .....	21		00	21	00
22 Enter food donation credit (attach Schedule FD).....	22		00	22	00
23 Enter distilled spirits credit (attach Schedule DS) .....	23		00	23	00
24 Enter angel investor credit .....	24		00	24	00
25 Add lines 1 through 24, Columns A and B. <b>Enter here and on page 1, line 15</b> ..	25		00	25	00

**SECTION B—PERSONAL TAX CREDITS**

	Check Regular	Check all four if 65 or over	Check all four if blind	Check both for Kentucky National Guard									
1 (a) Credits for yourself:	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	1 Enter number of boxes checked on line 1 .....								
(b) Credits for spouse:	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>									
<b>2 Dependents:</b>					2 Enter number of dependents who:								
First name	Last name	Dependent's Social Security number	Dependent's relationship to you	Check if qualifying child for family size tax credit	<ul style="list-style-type: none"> <li>lived with you.....</li> <li>did not live with you (see instructions).....</li> <li>other dependents.....</li> </ul>								
				<input type="checkbox"/>									
				<input type="checkbox"/>									
				<input type="checkbox"/>									
				<input type="checkbox"/>									
3 Add total number of credits claimed on lines 1 and 2. <i>If married filing separately on a combined return (Filing Status 2), each taxpayer must claim his or her own credits from line 1, divide the credits on line 2, and enter the totals in Boxes 3A and 3B. All other filers enter the amount from line 3 in Box 3B</i> .....					3 Enter total credits.....								
4 Multiply credits on line 3A by \$10 and enter on line 4A. Multiply credits on line 3B by \$10 and enter on line 4B. <b>Enter here and on page 1, line 17, Columns A and B</b> .....					<table border="1"> <thead> <tr> <th>Spouse</th> <th>Yourself</th> </tr> </thead> <tbody> <tr> <td>3A</td> <td>3B</td> </tr> <tr> <td><b>x \$10</b></td> <td><b>x \$10</b></td> </tr> <tr> <td>4A</td> <td>4B</td> </tr> </tbody> </table>	Spouse	Yourself	3A	3B	<b>x \$10</b>	<b>x \$10</b>	4A	4B
Spouse	Yourself												
3A	3B												
<b>x \$10</b>	<b>x \$10</b>												
4A	4B												

**SECTION C—FAMILY SIZE TAX CREDIT** (List the name and Social Security number of qualifying children that are not claimed as dependents in Section B.)

First name	Last name	Social Security number	First name	Last name	Social Security number

Attach a complete copy of federal Form 1040 if you received farm, business, or rental income or loss. If not required, check here. ☐

I, the undersigned, declare under penalties of perjury that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. I also understand and agree that our election to file a combined return under the provisions of Regulation 103 KAR 17:020 will result in refunds being made payable to us jointly and in each of us being jointly and severally liable for all taxes accruing under this return.

Your Signature (If joint or combined return, both must sign.) Spouse's Signature Date Signed Telephone Number (daytime)

Typed or Printed Name of Preparer Other than Taxpayer I.D. Number of Preparer Date

Firm Name EIN Date

Mail to:

**REFUNDS**

Kentucky Department of Revenue, Frankfort, KY 40618-0006.

**PAYMENTS**

Kentucky Department of Revenue, Frankfort, KY 40619-0008.

**DRAFT**  
8 / 12 / 15

# SCHEDULE M

1500010018

2015

Form 740  
42A740-M

## KENTUCKY FEDERAL ADJUSTED GROSS INCOME MODIFICATIONS

Department of Revenue

► Attach to Form 740.

Enter name(s) as shown on tax return.

Your Social Security Number

### PART I ADDITIONS TO FEDERAL ADJUSTED GROSS INCOME

- 1 Enter interest income from bonds issued by other states and their political subdivisions.....
- 2 Enter self-employed health insurance deduction from federal Form 1040, line 29.....
- 3 Enter resident adjustment from partnerships, fiduciaries and S corporations, Schedule K-1.....
- 4 Enter federal depreciation from Form 4562.....
- 5 Enter federal Net Operating Loss .....
- 6 Enter federal domestic production activities deduction from federal Form 8903, line 25.....
- 7 Other additions (list and enter total):  
(a) .....  
(b) .....  
(c) .....
- 8 Total Additions. Enter here and on Form 740, page 1, line 6 .....

### A. Spouse (Use if Filing Status 2 is checked.)

### B. Yourself (or Joint)

1		00	1		00
2		00	2		00
3		00	3		00
4		00	4		00
5		00	5		00
6		00	6		00
7		00	7		00
8		00	8		00
9		00	9		00
10		00	10		00
11		00	11		00
12		00	12		00
13		00	13		00
14		00	14		00
15		00	15		00
16		00	16		00
17		00	17		00
18		00	18		00
19		00	19		00
20		00	20		00

### PART II SUBTRACTIONS FROM FEDERAL ADJUSTED GROSS INCOME

- 9 Enter state income tax refund or credit reported as income on federal Form 1040.....
- 10 Enter interest income from U.S. government bonds and securities.....
- 11 Enter excludable amount of retirement income (attach Schedule P if more than \$41,110) .....
- 12 Enter taxable amount of Social Security and Railroad Retirement Board benefits from federal Form 1040, line 20(b) (1040A, line 14(b)) .....
- 13 Enter long-term care insurance premiums.....
- 14 Enter health insurance premiums not previously deducted from income. Do not include premiums paid with pretax dollars (cafeteria plan).....
- 15 Enter resident adjustment from partnerships, fiduciaries and S corporations, Schedule K-1 .....
- 16 Enter Kentucky depreciation from revised Form 4562 .....
- 17 Enter Kentucky Net Operating Loss .....
- 18 Enter Kentucky domestic production activities deduction (see instructions).....
- 19 Other subtractions (list and enter total):  
(a) .....  
(b) .....  
(c) .....
- 20 Total Subtractions. Enter here and on Form 740, page 1, line 8 .....

# SCHEDULE A

Form 740

42A740-A

Department of Revenue

1500010012

KENTUCKY ITEMIZED DEDUCTIONS

See instructions.

Attach to Form 740.

2015

Enter name(s) as shown on Form 740, page 1.

Your Social Security Number

<b>Medical and Dental Expenses</b>	<b>Do not include expenses reimbursed or paid by others.</b>			
	1. Medical and dental expenses.....	1		00
	2. Enter combined totals from Form 740, line 9.....	2		00
	3. Multiply line 2 by 10% (.10). But if either you or your spouse was born before January 2, 1951, multiply line 2 by 7.5% (.075) instead.....	3		00
	4. <b>Total medical and dental.</b> Subtract line 3 from line 1. If zero or less, enter -0-.....	4		00
<b>Taxes</b> <i>Note: Sales and use taxes and new motor vehicle taxes are not deductible.</i>	5. Local income taxes (do not include state income tax).....	5		00
	6. Real estate taxes.....	6		00
	7. Personal property taxes.....	7		00
	8. Other taxes (list) .....	8		00
	9. <b>Total taxes.</b> Add lines 5 through 8. Enter here.....	9		00
<b>Interest Expense</b> <i>Note: Personal interest is not deductible.</i>	10. Home mortgage interest and points reported to you on federal Form 1098.....	10		00
	11. Home mortgage interest not reported to you on federal Form 1098 (if paid to an individual, show that person's name, identifying number and address) .....	11		00
	<b>See instructions for lines 12 and 13.</b>			
	12. Points not reported to you on federal Form 1098.....	12		00
	13. Qualified mortgage insurance premiums .....	13		00
	14. Investment interest (attach federal Form 4952 if required) .....	14		00
	15. <b>Total interest.</b> Add lines 10 through 14. Enter here .....	15		00
<b>Contributions</b> <i>Note: For any contribution of \$250 or more, see instructions.</i>	16. Contributions by cash or check .....	16		00
	17. Other than cash or check (attach federal Form 8283 if over \$500) .....	17		00
	18. Artistic charitable contributions deduction (attach copy of appraisal) .....	18		00
	19. Carryover from prior year.....	19		00
	20. <b>Total contributions.</b> Add lines 16 through 19. Enter here .....	20		00
<b>Casualty and Theft Losses</b>	21. Enter amount from attached federal Form 4684, Section A, line 16.....	21		00
	22. Enter combined totals from Form 740, line 9.....	22		00
	23. Multiply line 22 by 10% (.10).....	23		00
	24. <b>Total casualty or theft loss(es).</b> Subtract line 23 from line 21. If zero or less, enter -0-.....	24		00
<b>Job Expenses and Most Other Miscellaneous Deductions</b>	25. Unreimbursed employee expenses—job travel, union dues, job education, etc. (attach Form 2106 or 2106-EZ if applicable) list .....	25		00
	26. Tax preparation fees.....	26		00
	27. Other (investment, safe deposit box, etc.) list .....	27		00
	28. Add the amounts on lines 25, 26 and 27. Enter here .....	28		00
	29. Enter combined totals from Form 740, line 9 .....	29		00
	30. Multiply line 29 by 2% (.02) .....	30		00
	31. <b>Total.</b> Subtract line 30 from line 28. If zero or less, enter -0- .....	31		00
<b>Other Miscellaneous Deductions</b>	32. Other (see instructions) .....	32		00
<b>Total Itemized Deductions</b>	33. Add lines 4, 9, 15, 20, 24, 31 and 32. Enter here .....	33		00

- ★ If single or married filing jointly and your income for Form 740, line 9, column B does not exceed \$184,000, enter total itemized deductions on Form 740, line 10, column B.
- ★ All others go to page 2.



If the combined totals on Form 740, line 9, exceeds \$184,000 (\$92,000 if married filing separately on a combined return or separate returns), skip Part I and complete Part II.

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7/22/15

**PART I—DIVIDING DEDUCTIONS BETWEEN SPOUSES**

Use this schedule if married filing separately on a combined return.

1. Total itemized deductions from page 1, line 33..... .00
2. Percent of income (Form 740, line 9, Column A) to total income (Form 740, total of line 9, Columns A and B)..... %
3. Percent of income (Form 740, line 9, Column B) to total income (Form 740, total of line 9, Columns A and B)..... %
4. Percent on line 2 times total deductions entered on line 1 (enter here and on Form 740, line 10, Column A) ..... .00
5. Percent on line 3 times total deductions entered on line 1 (enter here and on Form 740, line 10, Column B) ..... .00

**PART II—ITEMIZED DEDUCTIONS LIMITATION SCHEDULE**

Use this schedule if the adjusted gross income on Form 740, line 9, exceeds **\$184,000** (\$92,000 if married filing separately on a combined return or separate returns).

	<b>A.</b> Spouse	<b>B.</b> Yourself (or Joint)
<ul style="list-style-type: none"> <li>If married filing separately on a combined return, <b>enter in Column A</b> the percent of income (Form 740, line 9, Column A) to total income (Form 740, total of line 9, Columns A and B); <b>enter in Column B</b> the percent of income (Form 740, line 9, Column B) to total income (Form 740, total of line 9, Columns A and B).</li> <li>If single, married filing a joint return or married filing separate returns, enter 100% in Column B.</li> </ul>	_____ %	_____ %
1. Multiply the amount on Schedule A, line 32, by the percent of income shown in Columns A and/or B .....	1. _____ .00	1. _____ .00
2. Add the amounts on Schedule A, lines 4, 14 and 24, plus any gambling losses included on line 32 and multiply by the percent of income shown in Columns A and/or B.....	2. _____ .00	2. _____ .00
<b>Note:</b> Be sure your total gambling losses are clearly identified on line 32.		
3. Subtract the amount on line 2 from the amount on line 1. If the result is zero or less, enter -0- .....	3. _____ .00	3. _____ .00
4. Multiply the amount on line 3 above by 80% (.80).....	4. _____ .00	4. _____ .00
5. Enter the amount from Form 740, line 9 .....	5. _____ .00	5. _____ .00
6. Enter \$184,000 (\$92,000 if married filing separately on a combined return or separate returns) .....	6. _____ .00	6. _____ .00
7. Subtract the amount on line 6 from the amount on line 5. If the result is zero or less, enter -0- .....	7. _____ .00	7. _____ .00
8. Multiply the amount on line 7 above by 3% (.03).....	8. _____ .00	8. _____ .00
9. Compare the amounts on lines 4 and 8 above. Enter the <b>smaller</b> of the two amounts here .....	9. _____ .00	9. _____ .00
10. Total itemized deductions. Subtract the amount on line 9 from the amount on line 1. <b>Enter the result here and on Form 740, line 10</b> .....	10. _____ .00	10. _____ .00

## SCHEDULE P

1500010019

2015

42A740-P

Department of Revenue

Use this form to calculate  
excludable retirement income.

KENTUCKY

## PENSION INCOME EXCLUSION

► Attach to Form 740, 740-NP or 741.

Enter name(s) as shown on tax return.

Your Social Security Number

Complete this schedule and file with Form 740, 740-NP, or 741 if:

- your taxable pension and retirement income from all sources is **greater than \$41,110**; and
  - you are retired from the federal government, the Commonwealth of Kentucky or a Kentucky local government; or
  - you receive supplemental (Tier 2) U.S. Railroad Retirement Board benefits.
- you file Form 4972-K, Tax on Lump-Sum Distributions.

All others, , you do not need to complete Schedule P. See instructions for Schedule M, line 11.

## PART I—EXEMPT RETIREMENT INCOME (Do Not Include Income From Deferred Compensation Plans)

- Enter on line (a) or (b) the amount of federal, Kentucky state and Kentucky local government pension income attributable to service credit earned before January 1, 1998, and supplemental (Tier 2) U.S. Railroad Retirement Board benefits included on federal Form 1040, line 16(b) (Form 1040A, line 12(b)). Also include federal or Kentucky disability retirement income attributable to service credit earned before January 1, 1998.

- If date of retirement is **before January 1, 1998**, enter here.

Names of Payers	Date of Retirement	A. Spouse		B. Yourself	
<b>Total ►</b>					

- If date of retirement is **after December 31, 1997**, see the instructions.

Names of Payers	Date of Retirement	Taxable Pension	Exempt Percentage	A. Spouse		B. Yourself	
<b>Total ►</b>							

- Add lines 1(a) and 1(b)..... (c)

## PART II—OTHER RETIREMENT INCOME (Amounts Not Included in Line 1(c))

- Enter the total of taxable retirement income not included in line 1(c) above as reported on federal Form 1040, line 15(b) and 16(b) (Form 1040A, line 11(b) and 12(b)). Also report other disability retirement income or deferred compensation included on federal Form 1040, line 7 (Form 1040A, line 7)..... 2

## PART III—TOTAL TO BE EXCLUDED THIS YEAR

- Enter the lesser of line 2 or \$41,110..... 3
- Add lines 1(c) and 3. Enter here and on Schedule M, line 11 (Form 740-NP, page 4, line 10(b) or Form 741, line 11)..... 4

Joint filers—Combine lines 4(a) and 4(b) and enter on appropriate form.



Stop here unless you have a lump-sum distribution reported on Form 4972-K.

Form 4972-K Filers—If line 3 is less than \$41,110, enter the amount on Form 4972-K, Part II, line 2.



Commonwealth of Kentucky  
DEPARTMENT OF REVENUEUNDERPAYMENT OF ESTIMATED TAX  
BY INDIVIDUALS

► Attach to Form 740 or 740-NP.

Enter name(s) as shown on page 1, Form 740 or 740-NP.

Your Social Security Number

## PART I—EXCEPTIONS AND EXCLUSIONS

The penalty shall not apply if one of the following exceptions is met. If one or more of the following applies to you, check the appropriate box(es), complete any necessary blank(s) and check the "Form 2210-K attached" box on Form 740, line 38a (Form 740-NP, line 38a). **If none of the exceptions apply, go to Part II.**

Check applicable box(es).

1. ☐ The taxpayer died during the taxable year.
2. ☐ The declaration was not required until after September 1, 2015, and the taxpayer files a return and pays the full amount of the tax computed on the return on or before February 1, 2016.

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7/8/15

3. ☐ Two-thirds ( $\frac{2}{3}$ ) or more of the gross income was from farming; this return is being filed on or before March 1, 2016; **and** the total tax due is being paid in full. Fiscal year taxpayers must file a return and pay the tax due on or before the first day of the third month following the close of the tax year.

a. Enter total gross income.....

b. Multiply by  $\frac{2}{3}$  (.67) .....

c. Enter gross income from farming.....

Line (c) must **equal or exceed** line (b) to qualify for the exception.

4. ☐ Prepaid tax **equals or exceeds** last year's income tax liability.

a. Enter the liability from the 2014 return, Form 740 or Form 740-NP,  
page 1, line 26.....

b. Enter amount from the 2015 Form 740, line 31 (Form 740-NP, page 2, line 31)\*.....

Line (b) must **equal or exceed** line (a) to claim the exception.PART II—FIGURING THE UNDERPAYMENT AND PENALTY (Complete Part II only if the **additional** tax due exceeds \$500; otherwise, proceed to page 2, Part III.)

1. a. Enter 2015 income tax liability from Form 740, line 26 (Form 740-NP, page 1, line 26) ... 1a

b. Enter credit for taxes paid to another state from Form 740, Section A, line 5  
(Form 740-NP, Section A, line 5)..... 1b

c. Total (add lines 1a and 1b) ..... 1c

2. Percentage of liability required to be prepaid is 70% ..... 2

x .7

3. Multiply line 1c by line 2..... 3

4. a. Enter the amount from Form 740, line 31 (Form 740-NP, page 2, line 31)\* ..... 4a

b. Enter credit for taxes paid to another state from Form 740, Section A, line 5  
(Form 740-NP, Section A, line 5)..... 4b

c. Total (add lines 4a and 4b) ..... 4c

5. Subtract line 4c from line 3 (If line 4c exceeds line 3, no penalty applies.)..... 5

6. Penalty percentage is 10%..... 6

x .1

7. Multiply line 5 by line 6. This is the amount of the penalty for underpayment  
of estimated tax (minimum penalty \$25) ..... 7

8. Enter interest amount due from Form 2210-K, page 2, line 22..... 8

9. Add lines 7 and 8. Enter here and on Form 740 or Form 740-NP, line 38(a).  
**Also check the "Form 2210-K attached" box** ..... 9

➡ To Avoid Underpayment Penalty in the Future, Obtain and File Form 740-ES.

\*Do not include amounts prepaid with extension after the due date of the fourth declaration installment.



8863-K

42A740-S24

Department of Revenue

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7/22/15

2015

➤ Attach to Form 740 or Form 740-NP.

**KENTUCKY  
EDUCATION TUITION TAX CREDIT**

Enter name(s) as shown on Form 740 or Form 740-NP, page 1.

Your Social Security Number

**Caution:** You **cannot** take the 2015 Kentucky Education Tuition Tax Credit if you are not eligible for the Federal Education Credits. You must attach the federal Form 8863.

**Carryforward Information:** If you have an unused credit from prior year(s), complete Page 2, Part V to determine your carry-forward amount. You must have completed Form 8863-K in prior years to claim any allowable unused credit carryforward.

**PART I—Qualifications**

	Yes	No
• Are all expenses claimed on this form from an eligible educational institution located within the Commonwealth of Kentucky (Kentucky institution)? .....		
• Are all of the expenses claimed on this form for undergraduate studies? .....		
• Is your Kentucky filing status single; married filing separately on a combined return; or married filing a joint return? .....		

If you answered "No" to any of these questions above, **STOP**, you do not qualify for this credit.

If you answered "Yes" to all questions above, go to Part II.

**PART II—American Opportunity Credit (List only expenses for undergraduate studies from Kentucky institutions)**

1.	(a) <u>Student Name</u> SSN	(c) Qualified Expenses (see instructions). <b>Do not</b> enter more than \$4,000 for each student.	(d) Subtract \$2,000 from column (c); if zero or less enter -0-	(e) Multiply column (d) by 25% (.25)	(f) If column (d) is zero enter the amount from column (c); otherwise, add \$2,000 to column (e) and enter result
		.00	.00	.00	.00
	(b) Institution Name and Address				
	(a) <u>Student Name</u> SSN	(c) Qualified Expenses (see instructions). <b>Do not</b> enter more than \$4,000 for each student.	(d) Subtract \$2,000 from column (c); if zero or less enter -0-	(e) Multiply column (d) by 25% (.25)	(f) If column (d) is zero enter the amount from column (c); otherwise, add \$2,000 to column (e) and enter result
		.00	.00	.00	.00
	(b) Institution Name and Address				
2.	Add the amounts on line 1, column (f) .....	2	.00		
3.	Enter the decimal amount from line 6 of the federal Form 8863. If this line is blank, enter -0- and go to line 4; you cannot take any American Opportunity Credit .....	3	— • — — —		
4.	<b>Tentative American Opportunity Credit.</b> Multiply line 2 by line 3 and enter here (Note: The result on line 4 cannot exceed the amount of the federal Form 8863, line 7). If you are taking the Lifetime Learning Credit for another student, complete Part III; otherwise, enter amount from line 4 on line 11 .....	4	.00		

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**PART III—Lifetime Learning Credit (List only expenses for undergraduate studies from Kentucky institutions)**

5.	(a) Student Name	(b) Student SSN	(c) Name and Address of Kentucky Institution	(d) Qualified Expenses (See instructions)
				.00
				.00
6.	Add the amounts on line 5, column (d) and enter total here.....			6 .00
7.	Enter the smaller of line 6 or \$10,000 .....			7 .00
8.	Multiply line 7 by 20% (.20) and enter here.....			8 .00
9.	Enter the decimal amount from line 17 of the federal Form 8863. If this line is blank, enter -0- and go to line 10; you cannot take any Lifetime Learning Credit.....			9 — • — — —
10.	<b>Tentative Lifetime Learning Credit.</b> Multiply line 8 by line 9 and enter here (Note: The result on line 10 cannot exceed the amount of the federal Form 8863, line 18) .....			10 .00
11.	<b>Total Tentative Kentucky Education Tuition Tax Credits. Add lines 4 and 10.</b> .....			11 .00

**PART IV—Allowable Education Credits**

12.	Multiply the amount on line 11 by 25% (.25) and enter total here .....	12	.00
13.	Enter tentative tax from Form 740 or Form 740-NP, page 1, line 22 .....	13	.00
14.	Enter amount from Part V, line 34. If Part V, line 34 is blank, enter -0-.....	14	.00
15.	Subtract line 14 from line 13.....	15	.00
16.	Enter the smaller of line 15 or line 12 .....	16	.00
17.	Add lines 14 and 16. Enter here and on Form 740 or Form 740-NP, line 23. <b>This is your allowable 2015 Kentucky Education Tuition Tax Credit</b> .....	17	.00
18.	If line 15 is smaller than line 12, subtract line 15 from line 12. This is the amount of <b>unused credit carryforward from 2015 to 2016</b> . Enter here and on the 2015 Carryforward Worksheet, Line E, provided below .....	18	.00

**PART V—Credit Carryforward from Prior Years**

19.	Enter tentative tax from Form 740 or Form 740-NP, page 1, line 22 .....	19	.00
20.	Enter your credit carryforward from 2010 .....	20	.00
21.	Enter your credit carryforward from 2011.....	21	.00
22.	Enter your credit carryforward from 2012 .....	22	.00
23.	Enter your credit carryforward from 2013 .....	23	.00
24.	Enter your credit carryforward from 2014 .....	24	.00
25.	Add lines 20 through 24 and enter total here .....	25	.00
26.	Subtract line 20 from line 19. If zero or less, enter -0-.....	26	.00
27.	<b>Enter 2011 credit carryforward to 2016.</b> Subtract line 26 from line 21. If zero or less, enter -0- ....	27	.00
28.	Subtract line 21 from line 26. If zero or less, enter -0-.....	28	.00
29.	<b>Enter 2012 credit carryforward to 2016.</b> Subtract line 28 from line 22. If zero or less, enter -0- ....	29	.00
30.	Subtract line 22 from line 28. If zero or less, enter -0-.....	30	.00
31.	<b>Enter 2013 credit carryforward to 2016.</b> Subtract line 30 from line 23. If zero or less, enter -0- ....	31	.00
32.	Subtract line 23 from line 30. If zero or less, enter -0-.....	32	.00
33.	<b>Enter 2014 credit carryforward to 2016.</b> Subtract line 32 from line 24. If zero or less, enter -0-....	33	.00
34.	Enter the smaller of line 19 or line 25 .....	34	.00

**2015 Carryforward Worksheet**

A.	From Part V, Line 27, 2011 to 2016	.00
B.	From Part V, Line 29, 2012 to 2016	.00
C.	From Part V, Line 31, 2013 to 2016	.00
D.	From Part V, Line 33, 2014 to 2016	.00
E.	From Part IV, Line 18, 2015 to 2016	.00

**If you have a carryforward of credit, maintain a copy of this worksheet or Form 8863-K for your records. This information will be needed to prepare future returns.**

5695-K

41A720-S7 (10-15)  
Commonwealth of Kentucky  
DEPARTMENT OF REVENUE

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7/16/15

2015

➤ See instructions.

**KENTUCKY ENERGY EFFICIENCY PRODUCTS TAX CREDIT**

➤ Attach to Form 720, 720S, 725, 740, 740-NP, 741, 765 or 765-GP.

**KRS 141.435 and KRS 141.436**

Name of Entity/Individual	Identification Number (SSN or FEIN)	Kentucky Corporation/LLET Account Number (if applicable)

**Part I-Qualifications**

- Was the installation of the energy efficiency products completed before January 1, 2015? .....
- Was the installation of the energy efficiency products completed after December 31, 2015? .....
- Have you taken a tax credit as provided by KRS 141.437 for an ENERGY STAR home or an ENERGY STAR manufactured home? .....

Yes	No

If you answered "yes" to any of the questions above, STOP; you do not qualify for these credits, except for any carryforward balance on line 66.

If you answered "no" to all of the questions above, go to Part II.

**Part II-Installation of Energy Efficiency Products****Residence or Single-family or Multifamily****Residential Rental Unit:**

1. Qualified upgraded insulation costs .....	1		00			
2. Multiply line 1 by 30% (.30) .....	2		00			
3. Credit from pass-through entities .....	3		00			
4. Add lines 2 and 3 .....	4		00			
5. Maximum credit amount .....	5		\$100	00		
6. Enter the smaller of line 4 or line 5 .....	6			00		
7. Qualified energy-efficient windows and storm doors .....	7		00			
8. Multiply line 7 by 30% (.30) .....	8		00			
9. Credit from pass-through entities .....	9		00			
10. Add lines 8 and 9 .....	10		00			
11. Maximum credit amount .....	11		\$250	00		
12. Enter the smaller of line 10 or line 11 .....	12			00		
13. Qualified energy property .....	13		00			
14. Multiply line 13 by 30% (.30) .....	14		00			
15. Credit from pass-through entities .....	15		00			
16. Add lines 14 and 15 .....	16		00			
17. Maximum credit amount .....	17		\$250	00		
18. Enter the smaller of line 16 or line 17 .....	18			00		
19. Add lines 6, 12 and 18 .....	19			00		
20. Maximum credit amount .....	20		\$500	00		
21. Enter the smaller of line 19 or line 20 .....	21			00		

**Residence or Single-family Residential****Rental Unit:**

22. Qualified active solar space-heating system .....	22		00			
23. Qualified passive solar space-heating system .....	23		00			
24. Qualified combined active solar space-heating and water-heating system .....	24		00			
25. Qualified solar water-heating system .....	25		00			
26. Qualified wind turbine or wind machine .....	26		00			
27. Add lines 22 through 26 .....	27		00			
28. Multiply line 27 by 30% (.30) .....	28		00			
29. Credit from pass-through entities .....	29		00			
30. Add lines 28 and 29 .....	30		00			
31. Qualified solar photovoltaic system-Watts of direct current (DC) _____ X \$3 .....	31		00			
32. Credit from pass-through entities .....	32		00			
33. Add lines 31 and 32 .....	33		00			
34. Enter the larger of line 30 or line 33 .....	34			00		
35. Maximum credit amount .....	35		\$500	00		
36. Enter the smaller of line 34 or line 35 .....	36			00		

DRAFT #2  
7/19/15**Part II-Installation of Energy Efficiency Products (continued)****Multifamily Residential Rental Unit or  
Commercial Property:**

37. Qualified active solar space-heating system	37	00		
38. Qualified passive solar space-heating system	38	00		
39. Qualified combined active solar space-heating and water-heating system	39	00		
40. Qualified solar water-heating system	40	00		
41. Qualified wind turbine or wind machine	41	00		
42. Add lines 37 through 41	42	00		
43. Multiply line 42 by 30% (.30)	43	00		
44. Credit from pass-through entities	44	00		
45. Add lines 43 and 44	45	00		
46. Qualified solar photovoltaic system-Watts of direct current (DC) _____ X \$3	46	00		
47. Credit from pass-through entities	47	00		
48. Add lines 46 and 47	48	00		
49. Enter the larger of line 45 or line 48	49	00		
50. Maximum credit amount	50	\$1,000	00	
51. Enter the smaller of line 49 or line 50	51			00
<b>Commercial Property:</b>				
52. Qualified energy-efficient interior lighting system	52	00		
53. Multiply line 52 by 30% (.30)	53	00		
54. Credit from pass-through entities	54	00		
55. Add lines 53 and 54	55	00		
56. Maximum credit amount	56	\$500	00	
57. Enter the smaller of line 55 or line 56	57		00	
58. Qualified energy-efficient heating, cooling, ventilation or hot water system	58	00		
59. Multiply line 58 by 30% (.30)	59	00		
60. Credit from pass-through entities	60	00		
61. Add lines 59 and 60	61	00		
62. Maximum credit amount	62	\$500	00	
63. Enter the smaller of line 61 or line 62	63		00	
64. Add lines 57 and 63	64			00
65. Add lines 21, 36, 51 and 64	65			00
66. Enter any unused Energy Efficiency Products Tax Credit from the 2014 Form 5695-K, Part II, line 67, if applicable	66			00
67. Add lines 65 and 66	67			00

**Enter the amounts from this Form 5695-K on the applicable tax return as follows:****Individual, estate or trust filing:**

- Form 740-Enter the amount from Line 67 on Form 740, Section A, Line 18.
- Form 740-NP-Enter the amount from Line 67 on Form 740-NP, Section A, Line 18.
- Form 741-Enter the amount from Line 67 on Form 741, Line 18.

**Corporation or pass-through entity filing:**

- Form 720-Enter the amount from Line 67 on Schedule TCS, Line 16.
- Form 720S-Enter the amounts from Lines 6, 12, 18, 36, 36, 51, 51, 57 and 63 on Form 720S, Schedule K, Lines 27, 28, 29, 30, 31, 32, 33, 34 and 35, respectively; and the amount from Line 67 on Schedule TCS, Line 16.
- Form 725-Enter the amount from Line 67 on Schedule TCS, Line 16.
- Form 765-Enter the amounts from Lines 6, 12, 18, 36, 36, 51, 51, 57 and 63 on Form 765, Schedule K, Lines 28, 29, 30, 31, 32, 33, 34, 35 and 36, respectively; and the amount from Line 67 on Schedule TCS, Line 16.
- Form 765-GP-Enter the amounts from Lines 6, 12, 18, 36, 36, 51, 51, 57 and 63 on Form 765-GP, Schedule K, Lines 28, 29, 30, 31, 32, 33, 34, 35 and 36, respectively.
- **Note: For pass-through entities Lines 36 and 51 are reported twice because they are included on two separate lines of the Schedule K and subsequently the Schedule K-1. For pass-through entities these credits are passed from Schedule K-1 to a lower tiered entity's Form 5695-K. The credit limitation for Line 36 of the higher tiered entity's Form 5695-K will be entered on Lines 29 and 32 of the lower tiered entity's Form 5695-K, and the credit limitation for Line 51 of the higher tiered entity's Form 5695-K will be entered on Lines 44 and 47 of the lower tiered entity's Form 5695-K.**

		<b>a</b> Employee's social security number		OMB No. 1545-0008	
<b>b</b> Employer identification number (EIN)			<b>1</b> Wages, tips, other compensation		<b>2</b> Federal income tax withheld
<b>c</b> Employer's name, address, and ZIP code			<b>3</b> Social security wages		<b>4</b> Social security tax withheld
			<b>5</b> Medicare wages and tips		<b>6</b> Medicare tax withheld
			<b>7</b> Social security tips		<b>8</b> Allocated tips
<b>d</b> Control number			<b>9</b>		<b>10</b> Dependent care benefits
<b>e</b> Employee's first name and initial      Last name      Suff.			<b>11</b> Nonqualified plans		<b>12a</b>
			<b>13</b> Statutory employee      Retirement plan      Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<b>12b</b>
			<b>14</b> Other		<b>12c</b>
					<b>12d</b>
<b>f</b> Employee's address and ZIP code					
<b>15</b> State	Employer's state ID number	<b>16</b> State wages, tips, etc.	<b>17</b> State income tax	<b>18</b> Local wages, tips, etc.	<b>19</b> Local income tax
					<b>20</b> Locality name

Form **W-2** Wage and Tax Statement

2015

Department of the Treasury—Internal Revenue Service

Copy 2—To Be Filed With Employee's State, City, or Local Income Tax Return

☐ CORRECTED (if checked)

PAYER'S name, street address, city or town, state or province, country, and ZIP or foreign postal code		1 Gross distribution		OMB No. 1545-0119	
		\$		2015	
		2a Taxable amount			
		\$		Form 1099-R	
		2b Taxable amount not determined <input type="checkbox"/>		Total distribution <input type="checkbox"/>	
PAYER'S federal identification number	RECIPIENT'S identification number	3 Capital gain (included in box 2a)		4 Federal income tax withheld	
		\$		\$	
RECIPIENT'S name		5 Employee contributions / Designated Roth contributions or insurance premiums		6 Net unrealized appreciation in employer's securities	
		\$		\$	
Street address (including apt. no.)		7 Distribution code(s)		8 Other	
		IRA/SEP/SIMPLE <input type="checkbox"/>		\$ %	
City or town, state or province, country, and ZIP or foreign postal code		9a Your percentage of total distribution %		9b Total employee contributions	
		\$		\$	
10 Amount allocable to IRR within 5 years	11 1st year of desig. Roth contrib.	12 State tax withheld		13 State/Payer's state no.	
\$		\$		\$	
Account number (see instructions)		15 Local tax withheld		16 Name of locality	
		\$		\$	
		\$		\$	
		\$		\$	

**Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.**

**Copy 2**  
**File this copy with your state, city, or local income tax return, when required.**